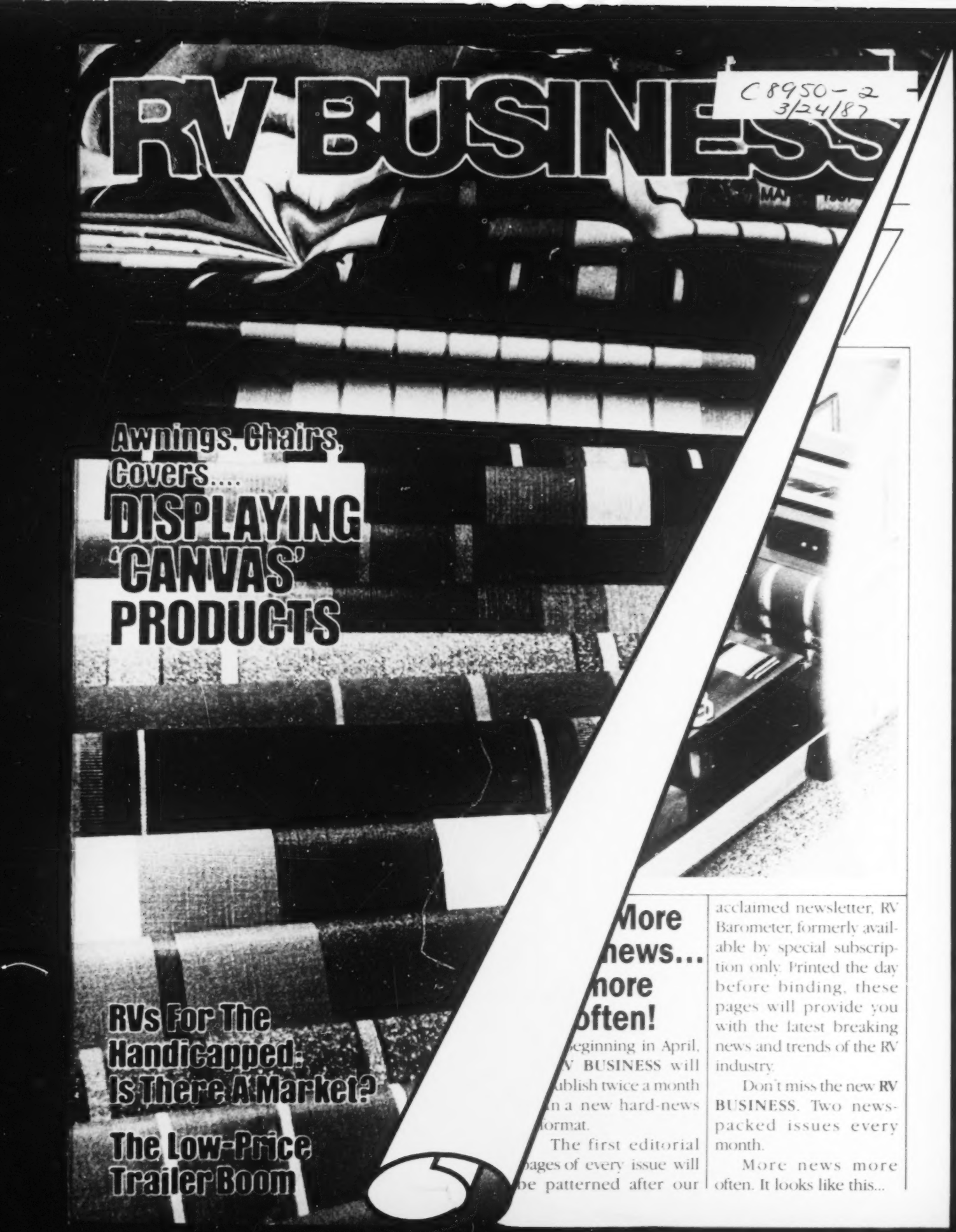
RV BUSINESS

C8950-2
3/24/87



Awnings, Chairs, Covers.... DISPLAYING 'CANVAS' PRODUCTS

RVs For The Handicapped: Is There A Market?

The Low-Price Trailer Boom

More news... more often!

Beginning in April, **RV BUSINESS** will publish twice a month in a new hard-news format.

The first editorial pages of every issue will be patterned after our acclaimed newsletter, RV Barometer, formerly available by special subscription only. Printed the day before binding, these pages will provide you with the latest breaking news and trends of the RV industry.

Don't miss the new **RV BUSINESS**. Two news-packed issues every month.

More news more often. It looks like this...

RV BUSINESS

CONTENTS

FEATURES

'CANVAS' PRODUCTS ON DISPLAY
William Brennan

Awnings, chairs, enclosures, etc. can be moneymakers for dealers—if they are properly merchandised. This article provides some tips on retail store display techniques for these "canvas" products.

RVS FOR THE HANDICAPPED
Ron Gillette

Is there a market for RVs for the handicapped? Manufacturers and suppliers agree that the potential for profit is there, but that there are some challenges to serving the handicapped RVer.

WOOING LOW-PRICE TRAVEL TRAILER BUYERS
Robert Longsdorf Jr.

1986 saw a towable sales surge, led by low-end units. Many manufacturers are jumping on the bandwagon with new low-price travel trailer lines. Some of these industry players discuss the direction and long-term effect of the low-end trailer trend.

MARKETING CONCEPTS: SHIPP'S RV CENTER
Jim Norland

Mel Shipp's Tennessee dealership includes a large campground. He shares some of his strategy for using campsites to generate extra sales, service and customer goodwill.

MARKETING CONCEPTS: PILL THOMAS CAMPER SALES
Vicki Elmer

1979 Dealer of the Year Bill Thomas uses a "spring special" service promotion to heat up the cool sales climate in February and March.

SERVICE: GASKETS
Matthew J. Fleming III

Matt Fleming, NAPA/ASE Technician of the Year, discusses how selecting the proper gasket can be crucial to RV-engine performance and longevity.

FINANCE: TAX REFORM, PART II
Robert Feinschreiber and Margaret Kent

Tax reform will have some adverse effects on RV dealers—from eliminating deductions for capital investment to discouraging supplier credit. This second article on the new tax law provides an additional analysis.

LEGAL: FIRING WORKERS
Fred S. Steingold

Recent court decisions have placed new limits on employers' rights to fire employees. Employers should review their policies to avoid costly employee suits.

ON THE COVER: Awnings, chairs, tire covers and other "canvas" products can produce exciting, profitable retail display opportunities. Photo: Kenna Love

DEPARTMENTS

EDITORIAL
John Thompson

LETTERS

MAXWELL
Gaylord Maxwell

OERTLE
V. Lee Oertle

PERSPECTIVE

ASSOCIATIONS

SHIPMENTS

INDUSTRY NEWS

ADVERTISERS INDEX

PROFITMAKERS

NEW LITERATURE

CLASSIFIED ADVERTISING

CALENDAR

Perspective

An analysis of RVB's monthly survey of its Dealer Advisory Board Members

GAYLORD MAXWELL

	NEW						USED					
	FOR MONTH			YEAR-TO-DATE			FOR MONTH			YEAR-TO-DATE		
	DEC 1986	DEC 1985	% CHANGE	1986	1985	% CHANGE	DEC 1986	DEC 1985	% CHANGE	1986	1985	% CHANGE
MOTORHOMES	108	60	+ 80	1,117	1,227	− 9	69	49	+ 41	1,072	955	+ 12
TRAVEL TRAILERS	63	49	+ 29	931	893	+ 4	50	43	+ 16	875	850	+ 3
TRUCK CAMPERS	19	13	+ 46	192	185	+ 4	6	3	+ 100	104	128	− 19
CAMPING TRAILERS	12	8	+ 50	860	936	− 8	4	3	+ 33	244	277	− 12
FIFTH-WHEELS	21	7	+ 200	191	190	+ 1	3	3	same	67	68	− 1

	FOR MONTH			YEAR-TO-DATE		
	DEC. 1986	DEC. 1985	% CHANGE	1986	1985	% CHANGE
SALES VOLUME	$7,862,015	$4,785,806	+ 64	$96,839,778	$91,728,520	+ 6
TOTAL UNIT SALES	355	238	+ 49	5,653	5,709	− 1
NEW-UNIT SALES	223	137	+ 63	3,291	3,431	− 4
USED-UNIT SALES	132	101	+ 31	2,362	2,278	+ 4

Santa Claus really visited RV dealers in December 1986. Business was fantastic. Unit sales were 49 percent higher than those of the previous December and sales volume was up a whopping 64 percent. In all categories — new and used — there were no minuses in our Dealer Advisory Board (DAB) averages.

Of course, we all know that Santa was really a disguise for the changes in the tax law. Dealers are always looking for something to get the fence straddlers to jump, and tax reform did it. The prospect of adding several thousands of dollars to one's list of deductions obviously did the trick.

Although all five RV types included in this report showed increases for the month, the big stuff was dominant. Motorhomes were most in demand, followed by travel trailers. Big dealers showed the largest dollar increases, but, in terms of percentages, medium-size dealers did even better. Only four members of the DAB failed to do as well as they did in the previous year.

Not only were December sales great, so were profits. In fact, with the exception of camping trailers, no DAB member rated profits as poor for the month in any new-unit category.

The enormous increase in December sales pushed the year-to-date sales-volume figure into the plus column, but year-to-date unit sales didn't quite make it. However, after a somewhat sluggish year generally, the bang up finish of 1986 was very good news.

Now the question is: Were December sales stolen from first quarter '87 sales? Time will tell.

MOTORHOMES

Most motorhome dealers on the DAB had a great month. Big or little, it didn't make much difference; every dealer got a proportionate share. New unit sales increases of 100-150 percent more than the sales of December 1985 were common. Used units didn't move quite as well, but a 41 percent increase was impressive.

Year-to-date figures for 1986 new units didn't quite equal those of 1985 for the DAB, but used sales were slightly ahead.

Profits were rated as fair to good with one excellent rating.

TRAVEL TRAILERS

Although the December increase for trailer sales didn't match that of motorhomes, the DAB trailer dealers finished up both the month and the year ahead of '85. In fact, travel trailers were the only RV type to end up with all plusses in both the new and used categories.

Profit ratings ranged from fair to excellent, with a majority of the DAB describing profits as good.

TRUCK CAMPERS

Truck camper dealers shared in the general prosperity in December. The actual unit sales figures were small, but the percentages were excellent.

Year-to-date sales of new campers managed to stay slightly ahead of 1985. That's a good sign for an RV type that is often ignored by dealers.

Profits were rated as excellent.

CAMPING TRAILERS

December is always the camping trailer dealer's low month. 1986 was no exception. Sales were few. Year-to-date figures for the DAB showed this type down slightly from '85.

FIFTH-WHEELS

Thanks to one dealer whose sales leaped from two units last December to 12 in 1986, the percentage increase for the month was enormous. For the year-to-date, however, only one unit separated 1985 from 1986.

Profits ratings ranged from fair to excellent. V

Perspective is a compilation of data provided by RVB's Dealer Advisory Board (DAB), a group comprised of 21 dealers representing a cross-section of the U.S. dealer body. This report is an attempt to reflect the current retail sales picture; it does not purport to indicate RV production or factory sales to dealers.

SEA BREEZE

Built for comfort.
Built to last.

Easily towed by compact cars, yet it sleeps 6 adults comfortably. Features stove, ice box, sink and dinette.

Constructed for rental applications
Total Weight: 1100 lbs.
Tire Size: 13"

SMALLWOOD TRAILER, MFG. INC.
Rt. 4, Carthage, MO 64836
417-358-6218

Smallwood Circle 49 on Reader Service Card

Folding **PORTA-BOTE®**

Every RV'er Is A Boater!

FOLDS TO 4" FLAT!

8'—10'—12' Lengths

Ends Towing Forever — From 49 lbs.
PUNCTURE PROOF!
Indestructible Polypropylene
NEVER NEEDS PAINTING!
Over 15 Years in Production
Time-Proven Patented Safety Hinge
10-YEAR HULL WARRANTY!
Sells on Sight!
Sets up in 2 min., For The Good Times!
- Dealer Inquiries Invited -

PORTA-BOTE INTERNATIONAL
1074 Independence Ave., Dept. RVB3
Mountain View, CA 94043
(800) 227-8882 • In CA **(800) 624-8428**

Porta-Bote, Circle 45 on Reader Service Card

RVIA, DECEMBER

The marketing committee of the Recreation Vehicle Industry Association has announced that the total number of recreational vehicles shipped from manufacturers' plants during December 1986 was 26,600 units, up 15.6% from December 1985.

The shipment figures released by the association are contained in a report compiled for the membership by RVIA's marketing committee under the chairmanship of Jim Sheldon of Fleetwood Enterprises Incorporated, Riverside, California.

RV shipments were as follows in Dec. 1986	Dec. 1986	Dec. 1985	Percent Change	Cumulative 1986	Cumulative 1985	Percent Change
TRAVEL TRAILERS	2,900	2,400	+ 20.8%	55,100	54,700	+ 0.7%
PARK MODELS	700	500	+ 40.0%	7,800	7,500	+ 4.0%
FIFTH-WHEELS	1,700	1,200	+ 41.7%	23,100	20,700	+ 11.6%
TRUCK CAMPERS	500	300	+ 66.7%	7,400	6,900	+ 7.3%
MULTI-USE VEHICLES (Van Conversions)	12,100	12,900	- 6.2%	181,900	164,800	+ 10.4%
TYPE A MOTOR-HOMES	2,600	1,800	+ 44.4%	33,300	33,600	- 0.9%
TYPE B VAN CAMPERS	700	500	+ 40.0%	6,200	6,700	- 7.5%
TYPE C MINI MOTOR-HOMES	2,000	1,100	+ 81.8%	28,200	28,400	- 0.7%
FOLDING CAMPING TRAILERS	3,400	2,400	+ 41.7%	36,500	35,900	+ 1.7%
TOTALS	26,600	23,100	+ 15.6%	379,500	359,200	+ 5.7%

Monsanto, Circle 38 on Reader Service Card